

DANIEL T. HAYWARD  
Nevada State Bar No. 5986  
LAXALT & NOMURA, LTD.  
9790 Gateway Drive, Suite 200  
Reno, Nevada 89521  
[dhayward@laxalt-nomura.com](mailto:dhayward@laxalt-nomura.com)  
Telephone: (775) 322-1170  
Facsimile: (775) 322-1865  
*Attorneys for the Compass Defendants*

UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA

LEONARD C. ADAMS, *et al.*, ) Case No. 3:11-cv-00210-RCJ-VPC  
                                  )  
Plaintiffs,                 )  
                                  )  
v.                            )  
                                  )  
COMPASS PARTNERS, LLC, *et al.*, )  
                                  )  
Defendants.                 )  
                                  )

**STIPULATION / JOINT MOTION TO EXTEND DISPOSITIVE MOTION AND  
PROPOSED JOINT PRETRIAL ORDER DUE DATES PENDING COMPLETION OF  
PROPOSED SETTLEMENT (FOURTH REQUEST)**  
**AND**  
**REQUEST FOR STATUS CONFERENCE**

The Plaintiff Direct Lenders, by and through their attorneys Michael J. Collins and Robert M. Millimet of Brewer, Attorneys and Counselors and Lisa Rasmussen of the Law Office of Lisa Rasmussen, Plaintiff Direct Lender Daniel Newman, by and through his attorneys Michael J. Collins and Robert M. Millimet of Brewer, Attorneys and Counselors and David Clark of Lipson, Neilson, Cole, Seltzer & Garin, P.C., Defendants David Blatt, Jay Cohen, Leonard Mezei, Ron Friedman, Compass Financial Partners, LLC, Compass FP Corp., Compass Partners, LLC, Compass USA GP, LLC, Compass USA Holding, LLC, Compass USA, LP, Compass USA SPE, LLC, Economic Growth Group, Inc., and Repotex, Inc. (collectively, the “Compass Defendants”), by and through their attorneys Daniel T. Hayward and Holly S. Parker

1 of Laxalt & Nomura, Ltd., and Defendant Mark L. Olson, in pro per, hereby stipulate and jointly  
2 move the Court pursuant to LR IA 6-1, LR II 26-4, and FRCP 16(b)(4) for an Order extending  
3 the existing June 2, 2018 dispositive motion deadline and the existing July 31, 2018 proposed  
4 Joint Pretrial Order due date.

5       **The Plaintiff Direct Lenders and Compass Defendants' representatives have signed**  
6       **a proposed Settlement Agreement, and the Plaintiff Direct Lenders will soon be filing a**

7       **Motion for Approval of Settlement.** However, there is insufficient time between now and the  
8 June 2, 2018 dispositive motion due date for the forthcoming Motion for Approval of Settlement  
9 to be fully briefed (in the event any opposition is filed) and decided by the Court.<sup>1</sup> And, the  
10 parties believe that the filing of a motion for summary judgment in the interim would likely be  
11 damaging to the cause of settlement. Further, if the proposed settlement is approved but one or  
12 more claims by non-settling Plaintiff Direct Lenders remain, the parties would be able to draft far  
13 more streamlined dispositive motions and a Joint Pretrial Order *after* it has been determined  
14 which specific loans – if any -- remain at issue.

15       The Plaintiff Direct Lenders are confirming their settlement vote totals and assessing how  
16 best to achieve Court approval of the settlement. Thus, the parties respectfully request that the  
17 Court set a status conference in approximately 60 days to discuss this case, including the Court's  
18 approval of the forthcoming Motion for Approval of Settlement.

19       This is the parties' fourth request for a continuance of these pretrial due dates and the  
20 related requested relief. It is the parties' first request for a status conference regarding these  
21 issues.

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26       <sup>1</sup> The proposed Settlement Agreement has been approved by each of the Plaintiff Direct  
27 Lenders who were awarded damages against the Compass Defendants in the "892 Case," and  
28 who are appellees in those Compass Defendants' pending Ninth Circuit appeal. Thus, the  
proposed Settlement Agreement, if approved by the Court, will result in the dismissal of that  
pending appeal and the entry of a satisfaction of judgment regarding the 892 Case.

1           A.     **Procedural history.**

2           This case was originally filed on March 6, 2011, by the Plaintiff Direct Lenders against  
3 the Compass Defendants and numerous other Defendants. Following various motions to dismiss,  
4 pleading amendments, and settlements, Plaintiffs filed a Second Amended Complaint on  
5 November 1, 2012 against the Compass Defendants, Oakbridge Capital Inc., Mark Olson,  
6 Windemere Capital, LLC, Tyson Lomazow, and the Citron Defendants. (ECF No. 176.)  
7

8           The Compass Defendants filed an Answer and Affirmative Defenses to Second Amended  
9 Complaint in November 21, 2012. (ECF No. 179.)

10          Mark Olson filed an Answer in pro per on August 15, 2011. (ECF N0. 71.)

11          On January 7, 2013, the Plaintiff Direct Lenders and Compass Defendants submitted a  
12 Joint Proposed Case Management Order. (ECF No. 193.) On January 14, 2013, the Magistrate  
13 Judge entered Minutes of Proceedings concerning the telephonic Case Management Conference  
14 held earlier that day. (ECF No. 194.) It does not appear that a formal Discovery Plan and  
15 Scheduling Order was entered, presumably because the parties' efforts were completely focused  
16 on settlement. The parties proceeded to participate in periodic status conferences with the Court.  
17

18          On March 11, 2013, Defendant Tyson Lomazow was dismissed from the case. (ECF No.  
19 216.) On January 28, 2015, the claims against Defendants Oakbridge Capital Inc., Windemere  
20 Capital, LLC, and the Citron Defendants were dismissed. (ECF No. 218.)

21          Meanwhile, the parties to the "892 Case," which is on appeal before the Ninth Circuit  
22 Court of Appeals, entered into settlement negotiations in the course of the appellate process. The  
23 scope of those negotiations was enlarged to include the parties and claims in this 210 Case in the  
24 hope of reaching a global resolution. On January 6, 2014, this Court entered an Order in the 892  
25 Case (ECF No. 2356) setting a settlement conference before Judge Zive, which was held on  
26 January 30, 2014. On May 28, 2014, this Court entered an Order in the 210 Case (ECF No. 217)  
27 to facilitate the second session of the settlement conference with Judge Zive, which took place on  
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1       July 31, 2014. Very lengthy and complex negotiations continued between the Compass  
2 Defendants and a representative of the Plaintiff Direct Lenders, under the general oversight of  
3 the Ninth Circuit mediator, which ultimately culminated in the execution of a written proposed  
4 Settlement Agreement by the Compass Defendants and the representative of the Plaintiff Direct  
5 Lenders in October 2016, subject to the affirmative vote of the Plaintiff Direct Lenders and  
6 approval by the Court.<sup>2</sup>

7              During a January 26, 2017 status conference, the Court set this matter for a two-week  
8 jury trial commencing June 19, 2017. (ECF No. 243.) This was the first trial date which had  
9 been set in this case. On May 26, 2017, the remaining parties submitted a Stipulation / Joint  
10 Motion to Continue Trial in Light of Pending Proposed Settlement Agreement, and if Necessary  
11 to Re-Open Discovery, and Set Scheduling Order. (ECF No. 246.) The Court entered an Order  
12 granting the Stipulation / Joint Motion. (ECF No. 248.) The parties submitted a Proposed  
13 Discovery Plan and Scheduling Order on June 5, 2017 (ECF No. 249), which the Court approved  
14 on July 27, 2017 (ECF No. 251).

15              On November 28, 2017 the remaining parties submitted a Stipulation / Joint Motion to  
16 Extend Dispositive Motion and Proposed Joint Pretrial Order Due Dates Pending Completion of  
17 Proposed Settlement (Second Request). (ECF No. 254.) The Court entered an Order granting  
18 the Stipulation / Joint Motion on December 13, 2017 (ECF No. 256), after the parties filed a  
19 Notice of Pending Vote re: Proposed Settlement Agreement on December 12, 2017 (ECF No.  
20 255).

21              On March 28, 2018, the remaining parties submitted a Stipulation / Joint Motion to  
22 Extend Dispositive Motion and Proposed Joint Pretrial Order Due Dates Pending Completion of  
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24              On May 16, 2016, the Court authorized attorney David Clark of Lipson, Neilson, Cole,  
25 Seltzer & Garin, P.C., to substitute in the place of attorney Lisa Rasmussen for Plaintiff Daniel  
26 Newman. (ECF No. 229.)

1 Proposed Settlement (Third Request). (ECF No. 260.) The Court entered an Order granting the  
2 Stipulation / Joint Motion on March 29, 2018 (ECF No. 261).

3 Since March 29, 2018, the Plaintiff Direct Lenders' representatives and counsel have  
4 continued to work diligently to communicate with, and tally the settlement votes of, the Plaintiff  
5 Direct Lenders. That process is not quite complete. Thus, the Compass Defendants are unable  
6 to comply with the current June 2, 2018 dispositive motion deadline because it is not yet known  
7 which loans, if any, will remain at issue if the proposed Settlement Agreement is approved by the  
8 Court.

9 For these reasons, the Plaintiff Direct Lenders, the Compass Defendants, and Mark L.  
10 Olson respectfully stipulate and jointly move the Court to extend the current June 2, 2018  
11 dispositive motion deadline by 90 days and the current July 31, 2018 proposed Joint Pretrial  
12 Order by at least 59 days, and to set a status conference in approximately 60 days, so as to  
13 facilitate the completion of the Settlement Agreement approval process by the Court and the  
14 possible global resolution of both this 210 Case and the 892 Case, or alternatively the  
15 economical processing of the remaining claims at issue in this case.

16 **B. Statement of discovery completed to-date (per LR II 26-4).**

17 The Plaintiff Direct Lenders, by and through their representative, have conducted certain  
18 confidential financial discovery with regard to the individual Compass Defendants in furtherance  
19 of the settlement conference process with the assistance of Judge Zive and the Ninth Circuit  
20 mediator.

21 The Compass Defendants have served their FRCP 26(a)(1) Disclosure on March 16,  
22 2017. Mark Olson served his FRCP 26(a)(1) Disclosure on June 19, 2017.

23 No written discovery or depositions regarding the issues of liability and damages has  
24 taken place during the ongoing settlement negotiations, which resulted in a signed proposed  
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1 Settlement Agreement in early October 2016, and the initial completion of the voting process in  
2 March 2018.

3 **C. Statement of discovery remaining to be completed (per LR II 26-4).**

4 The parties are hopeful that the proposed Settlement Agreement will result in a resolution  
5 of this matter, and that additional discovery will not be necessary. However, the parties wish to  
6 discuss during the requested status conference whether and to what extent any additional  
7 discovery may be permitted with regard to the claims of those Plaintiff Direct Lenders who do  
8 not approve the proposed Settlement Agreement.  
9

10 **D. Statement of reasons why discovery has not been completed (per LR II 26-4).**

11 As set forth above, the parties have not previously conducted discovery on liability and  
12 damages issues due to the ongoing productive settlement discussions, which commenced at an  
13 early date in this matter following the pleadings / motion-to-dismiss stage, and out of a mutual  
14 desire to avoid incurring substantial costs and attorney's fees which may have rendered it more  
15 difficult – if not impossible -- for the Compass Defendants to fund the proposed settlement, and  
16 which may have increased the costs to the Plaintiff Direct Lenders.  
17

18 **E. Proposed schedule for completing all remaining discovery (per LR II 26-4).**

19 The parties request a new deadline for filing dispositive motions of not earlier than  
20 **August 31, 2018** (an extension of 90 days). The parties further request that the Court entertain a  
21 possible longer continuance at the proposed status conference.  
22

23 The parties further request that the Court enter a new deadline for the parties to submit a  
24 proposed Joint Pretrial Order of not earlier than **September 28, 2018** (an extension of 59 days),  
25 or in the event one or more dispositive motions are filed, the date for filing the proposed Joint  
26 Pretrial Order shall be continued until thirty days after the Court files its decision on the last of  
27 the dispositive motions. The parties further request that the Court entertain a possible longer  
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1 continuance at the proposed status conference. All motions in limine shall be submitted with the  
2 proposed Joint Pretrial Order.

3 **F. Request for status conference.**

4 The parties jointly request a status conference to take place in approximately 60 days to  
5 discuss the matters described above.

6 **G. Conclusion.**

7 For the foregoing reasons, the parties to this action respectfully request that the Court  
8 enter its Order granted the foregoing relief.  
9

10 DATED this 17<sup>th</sup> day of May, 2018.



11  
12 Daniel T. Hayward  
13 Nevada State Bar No. 5986  
14 LAXALT & NOMURA, LTD.  
15 9790 Gateway Drive, Suite 200  
16 Reno, Nevada 89521  
17 Telephone: (775) 322-1170  
18 Facsimile: (775) 322-1865  
19 dhayward@laxalt-nomura.com  
20 hparker@laxalt-nomura.com  
21 *Attorneys for the Compass Defendants*

22 DATED this 17<sup>th</sup> day of May, 2018.

23 /s/ Robert M. Millimet  
24 Michael J. Collins  
25 Robert M. Millimet  
26 Brewer Attorneys & Counselors  
27 1717 Main Street  
28 Suite 5900  
29 Dallas, Texas 75201  
30 Telephone: (214) 653-4000  
31 Facsimile: (214) 653-1015  
32 rmm@brewerattorneys.com  
33 mjc@brewerattorneys.com  
34 *Attorneys for Plaintiffs*

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2 DATED this 17<sup>th</sup> day of May, 2018.  
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/s/ Lisa Rasmussen

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Lisa Rasmussen

6

Law Office of Lisa Rasmussen  
601 South 10<sup>th</sup> Street

7

Suite 100

8

Las Vegas, Nevada 89101

9

Telephone: (702) 471-1436

10

Faxsimile: (702) 489-6619

11

lisa@lrasmussenlaw.com

12

jim@RasmussenLaw.onmicrosoft.com

13

secretary@lrasmussenlaw.com

14

terry@lrasmussenlaw.com

15

*Attorneys for Plaintiffs (except Daniel Newman)*

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DATED this 17<sup>th</sup> day of May, 2018.

17

/s/ David Clark

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David Clark

19

Lipson, Neilson, Cole, Seltzer & Garin, P.C.

20

9900 Covington Cross Drive

21

Suite 120

22

Las Vegas, Nevada 89144

23

Telephone: (702) 382-500

24

Faxsimile: (702) 382-1512

25

dclark@lipsonneilson.com

26

jgarin@lipsonneilson.com

27

*Attorneys for Plaintiff Daniel Newman*

28

DATED this 17<sup>th</sup> day of May, 2018.

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/s/ Mark L. Olson

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Mark L. Olson, *in pro per*

31

6996 Alexandra's Oak Court

32

Cincinnati, OH 45248-1050

33

Telephone: (702) 353-6540

34

marklolson@hotmail.com

## [PROPOSED]

**ORDER**

Based on the stipulation and joint motion of the parties hereto, and good cause appearing therefore, it is HEREBY ORDERED the remaining pretrial due dates are extended as follows:

1. The deadline for the filing of dispositive motions shall be August 31, 2018.
  2. The deadline for the filing of the proposed Joint Pretrial Order shall be September 28, 2018, but in the event one or more dispositive motions are filed, the date for filing the Joint Pretrial Order shall be continued until thirty days after the Court files its decision on the last of the dispositive motions. All motions in limine shall be submitted with the proposed Joint Pretrial Order.
  3. The Court will set a status conference regarding this matter to take place in approximately 60 days, subject to the Court's availability.

IT IS HEREBY ORDERED that a Status Conference is set for 10:00 A.M., Tuesday, August 7, 2018, in Reno Courtroom 3, before Judge Robert C. Jones.

IT IS FURTHER ORDERED that out-of-state counsel who request telephonic appearances shall file a Request to Appear Telephonically with the Court on or before 5:00 P.M., Friday, July 27, 2018.

Signed this 23<sup>rd</sup> day of May, 2018.

Robert C. Jones, Senior District Judge